

Sigma Gas

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PUBLIC SERVICE
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QUARTERLY REPORT OF GAS COST
RECOVERY RATE CALCULATION

Case No. 2005-00093

Date Filed:

February 24, 2005

Date Rates to be Effective:

April 1, 2005

Reporting Period is Calendar Quarter Ended:

December 31, 2004

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SCHEDULE I
GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	8.1683
+ Refund Adjustment (RA)	\$/Mcf	
+ Actual Adjustment (AA)	\$/Mcf	.503
+ Balance Adjustment (BA)	\$/Mcf	<u>(.0114)</u>
= Gas Cost Recovery Rate (GCR)	\$/Mcf	8.6599

GCR to be effective for service rendered from April to June.

A. <u>EXPECTED GAS COST CALCULATION</u>		<u>Unit</u>	<u>Amount</u>
Total Expected Gas Cost (Schedule II)		\$	350822
+ Sales for the 12 months ended <u>Dec 31, 04</u>		Mcf	<u>42949</u>
= Expected Gas Cost (EGC)		\$/Mcf	8.1683
B. <u>REFUND ADJUSTMENT CALCULATION</u>		<u>Unit</u>	<u>Amount</u>
Supplier Refund Adjustment for Reporting Period (Sch. III)		\$/Mcf	
+ Previous Quarter Supplier Refund Adjustment		\$/Mcf	
+ Second Previous Quarter Supplier Refund Adjustment		\$/Mcf	
+ Third Previous Quarter Supplier Refund Adjustment		\$/Mcf	
= Refund Adjustment (RA)		\$/Mcf	
C. <u>ACTUAL ADJUSTMENT CALCULATION</u>		<u>Unit</u>	<u>Amount</u>
Actual Adjustment for the Reporting Period (Schedule IV)		\$/Mcf	.4140
+ Previous Quarter Reported Actual Adjustment		\$/Mcf	(.011)
+ Second Previous Quarter Reported Actual Adjustment		\$/Mcf	(.108)
+ Third Previous Quarter Reported Actual Adjustment		\$/Mcf	<u>.208</u>
= Actual Adjustment (AA)		\$/Mcf	.503
D. <u>BALANCE ADJUSTMENT CALCULATION</u>		<u>Unit</u>	<u>Amount</u>
Balance Adjustment for the Reporting Period (Schedule V)		\$/Mcf	(.0171)
+ Previous Quarter Reported Balance Adjustment		\$/Mcf	(.015)
+ Second Previous Quarter Reported Balance Adjustment		\$/Mcf	.023
+ Third Previous Quarter Reported Balance Adjustment		\$/Mcf	<u>(.0023)</u>
= Balance Adjustment (BA)		\$/Mcf	(.0114)

SCHEDULE II
EXPECTED GAS COST

Actual* Mcf Purchases for 12 months ended Dec 31, 04

(1) <u>Supplier</u>	(2) <u>Dth</u>	(3) Btu <u>Conversion Factor</u>	(4) <u>Mcf</u>	(5)** <u>Rate</u>	(6) (4)x(5) <u>Cost</u>
<u>Wexler Rd Gas</u>			<u>46409</u>	<u>7.76</u>	<u>360134</u>
<u>Totals</u>			<u>46409</u>		<u>360134</u>

Line loss for 12 months ended Dec 31, 04 is 7 % based on purchases of 46409 Mcf and sales of 42949 Mcf.

	<u>Unit</u>	<u>Amount</u>
Total Expected Cost of Purchases (6)	\$	<u>360134</u>
+ Mcf Purchases (4)	Mcf	<u>46409</u>
= Average Expected Cost Per Mcf Purchased	\$/Mcf	<u>7.7600</u>
x Allowable Mcf purchases (must not exceed Mcf sales + .95)	Mcf	<u>45209</u>
= Total Expected Gas Cost (to Schedule IA.)	\$	<u>350822</u>

*Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.
**Supplier's tariff sheets or notices are attached.

SCHEDULE IV
ACTUAL ADJUSTMENT

For the 3 month period ended Dec 31, 04

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 (Oct)</u>	<u>Month 2 (Nov)</u>	<u>Month 3 (Dec)</u>
Total Supply Volumes Purchased	Mcf	1784	3831	7616
Total Cost of Volumes Purchased	\$	15977	27893	76465
+ Total Sales (may not be less than 95% of supply volumes)	Mcf	1695	3639	7618
= Unit Cost of Gas	\$/Mcf	9.4260	7.6650	10.0374
- EGC in effect for month	\$/Mcf	7.9004	7.9004	7.9004
= Difference [(Over-)/Under-Recovery]	\$/Mcf	1.5256	(.2354)	2.137
x Actual sales during month	Mcf	1533	3560	7618
= Monthly cost difference	\$	2339	(838)	16280

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	17781
÷ Sales for 12 months ended <u>Dec 31, 04</u>	Mcf	42949
= Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	.4140

SCHEDULE V
BALANCE ADJUSTMENT

For the 3 month period ended Dec 31, 04

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1) Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	(7671)
Less: Dollar amount resulting from the AA of <u>(.1615)</u> \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of <u>42949</u> Mcf during the 12-month period the AA was in effect.	\$	(6936)
Equals: Balance Adjustment for the AA.	\$	<u>(775)</u>
(2) Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect.	\$	
Equals: Balance Adjustment for the RA.	\$	<u> </u>
(3) Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the BA was in effect.	\$	
Equals: Balance Adjustment for the BA.	\$	<u> </u>
Total Balance Adjustment Amount (1) + (2) + (3)	\$	(775)
+ Sales for 12 months ended <u>Dec 31, 04</u>	Mcf	<u>42949</u>
= Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	(.0171)

Sigma Gas Corporation

P. O. Box 22
Salyersville, Kentucky 41465

Estill Branham
Manager

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	<u>Base Rate</u>	<u>Gas Cost</u> <u>Rec</u>	<u>TOTAL</u>
First MCF (Minimum Bill)	6.25	8.6599	14.9099
ALL OVER FIRST MCF	4.5522	8.6599	13.2121

Sigma Gas Corporation
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Salyersville, Kentucky 41465

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